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SUBJECT: WUXI EAGER FOR ENVIRONMENTAL COLLABORATION

REF: A) SHANGHAI 420 B) BEIJING 4127

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¶1. (SBU) Summary: During a July 19 meeting, Wuxi Environmental Protection Bureau (EPB) officials were eager to discuss the Lake Tai crisis and opportunities for cooperation; however, they were much less eager for Congenoffs to actually see Lake Tai. Wuxi EPB officials vented their frustrations over structural challenges that hinder the ability of local EPBs to work together to prevent problems like the blue-algae bloom that occurred this spring and also to react to crises when they do occur. End Summary.

Wuxi EPB Welcomes Collaboration, But Wary of Showing off Lake Tai

¶2. (SBU) On July 19, Congenoffs traveled to Wuxi, Jiangsu for meetings with the Wuxi Environmental Protection Bureau (EPB) and to check on the status of the recovery of Lake Tai from the massive blue-algae bloom that occurred earlier this summer (reftel A). Congenoffs were accompanied by ConGen's Science Fellow U.S. Environmental Protection Agency (EPA) Region 9 Director of China Initiatives Lida Tan.

¶3. (SBU) Wuxi EPB Deputy Director Gu Gang indicated that he had been "extremely busy" in the past few weeks hosting "foreign visitors", including officials from a variety of foreign governments and international press. Nevertheless, he seemed eager to discuss the crisis with Congenoffs and asked many questions about crisis response in the United States and about U.S. EPA's experiences in the United States. He was particularly interested in the United States' experiences with water recovery, from both a technical and social angle. Gu was also extremely interested in learning more about the concept of total maximum daily load and welcomed collaboration between the United States and China. He said that Wuxi EPB was busy investigating the source of the pollutants in Lake Tai and it would like to create a more comprehensive nutrient source identification program. (Note: In a meeting the previous week with Foreign Commercial Service Officers, Gu outlined specific technologies that the Wuxi EPB was looking to purchase

including: ion ICP-MS, liquid chromatography/mass spectrometry, gas chromatography, and automatic speed solvent evaporation concentrators. End Note.)

14. (U) The Wuxi FAO readily agreed to bring Congenoffs to Lake Tai, however when the group arrived at the lake, Congenoffs realized that they were not at the main body of the lake, but rather a small inlet. Wuxi Foreign Affairs Office Division Chief Zhao Wei said that the main body of the lake was "too far away" and that there was not enough time. As soon as Congenoffs exited the car the foul odor of the lake, even though just a small inlet, was immediately noticeable and there appeared to be people cleaning the lake. (Comment: The assertion that there was not enough time to visit the main body of Lake Tai is dubious; the meeting with EPB ended early and the main body of the Lake was approximately 15 minutes further than the inlet we visited; if anything, there was too much time in the schedule. The Wuxi FAO appeared to have a prepared route for all visiting officials and they did not want to stray from and that they felt the inlet provided a "model" to emulate. End Comment.)

Structural Challenges

15. (SBU) Deputy Director Gu's numerous questions about the interaction in the United States between federal, state and local governments led to a lengthy discussion regarding the administration of the Lake Tai watershed district. The Lake Tai watershed district supports more than 40 million people in two provinces and much of the water in the district originates from the Yangtze River which flows through several additional interior provinces.

16. (SBU) According to Division Chief Zhao, there are four

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major administrative regions surrounding Lake Tai that encompass two provinces: Wuxi (4.5 million residents); Changzhou (2.3 million residents); Suzhou (6 million residents) in Jiangsu province and Huzhou (2.5 million residents) in Zhejiang province. The administrative regions are not allowed to deal with each other directly but must go through the cumbersome procedure of coordinating through the provincial headquarters in Nanjing and Hangzhou, respectively. According to Gu, this meant that they rarely interacted with their counterparts in neighboring administrative regions, much less neighboring provinces.

17. (SBU) The division of responsibilities at the national level compounded matters. Unlike the United States where the EPA is responsible for both water quantity and water quality, in China the Ministry of Water Resources is responsible for managing some aspects of the watershed districts, such as water levels, while SEPA is charged with monitoring water quality.

Tough Decisions Ahead

18. (U) Division Chief Zhao explained that by the end of 2007 Wuxi will have closed more than 750 chemical factories and that the Wuxi government was in the process of drafting new regulations to further regulate the type and size of factories in the district. The long-range plan is to relocate all of the factories to industrial zones located in less-environmentally-sensitive areas and provide centralized wastewater treatment plants. Both Gu and Zhao acknowledged that implementing the new standards would be an enormous challenge and could have dramatic impact on the local economy and that the public's reaction to these changes could put the brakes on reform.

Comment

19. (SBU) While the actions and relative openness of the Wuxi government are encouraging, local officials will certainly face enormous economic pressures when closing factories, casting doubt on whether they will be able to keep their focus on only allowing environmentally sustainable factories in the area. Furthermore, existing institutional framework challenges compound this problem and will continue to hamper local governmental efforts to prevent and react to environmental crises. End Comment.
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